

Decision **PROPOSED DECISION OF ALJ KIM** (Mailed 12/20/2012)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Southern California Edison
Company (U338E) for Approval of its 2012- 2014
California Alternate Rates for Energy (CARE) and
Energy Savings Assistance Programs and Budgets.

Application 11-05-017
(Filed May 16, 2011)

And Related Matters.

Application 11-05-018
Application 11-05-019
Application 11-05-020

**DECISION DENYING PETITION OF SOUTHERN CALIFORNIA EDISON
COMPANY TO MODIFY DECISION 12-08-044**

1. Summary

This decision denies Southern California Edison Company's (SCE) petition to modify Decision (D.) 12-18-044 to allow SCE to provide In-Home Energy Education to income-verified Energy Savings Assistance program customers who are unable to qualify for services due to D.12-08-044's modified Three-Measure Minimum Rule.¹

¹ Petition at 1.

2. Background

On August 30, 2012, the Commission issued Decision (D.) 12-08-044 and approved Energy Savings Assistance (ESA) and California Alternate Rates for Energy (CARE) Programs' activities and budgets of the investor-owned utilities (IOUs) for the 2012-2014 program cycle.²

On September 27, 2012, Southern California Edison Company (SCE) filed its Petition for Modification of D.12-08-044 (Petition) reversing an aspect of D.12-08-044 to allow Energy Education to income-verified ESA Program customers without complying with the modified Three-Measure Minimum (3MM) Rule adopted in D.12-08-044.³

On October 29, 2012, the Division of Ratepayer Advocates (DRA) filed its opposition to SCE's Petition (Opposition), in part, noting that D.12-08-044 fully considered SCE's arguments on the Energy Education issue and because the Petition fails to present any new or additional basis to revisit that issue, the Petition should be denied.⁴

3. Discussion

SCE's Petition is denied, as discussed herein. On August 30, 2012, we issued D.12-08-044 and rejected the same argument SCE presents in the Petition. Specifically, and as correctly noted by DRA in its Opposition,⁵ the Commission in

² D.12-08-044.

³ Petition at 1.

⁴ Opposition at 1.

⁵ DRA's position as set forth in its Opposition Sections I-A to I-D note that it opposes SCE's Petition as having been fully resolved in D.12-08-044. Then in Section I-E of the

Footnote continued on next page

in D.12-08-044,⁶ fully considered and explicitly rejected this identical request by SCE as lacking in merit and untimely for resolution. The pertinent conclusions on SCE's request can be found in Sections 3.7.6. and 5.2.5.2. of D.12-08-044.

Salient excerpts of those sections are provided below:

Lastly, what we learned from the last program cycle about the energy education component of the ESA Program is that it needs to be studied to determine whether we are delivering effective energy education that is received and retained. The latest Process Evaluation found significant disparity in type and overall quality of the messaging/energy education delivered across the IOUs' territories. We discuss this concern further in Section 5.2.5.2 of this decision. Therefore, without better understanding how to deliver an effective energy education to this population through the energy education study ordered in this decision, inter alia, as well as ascertaining quantifiable and associated energy savings figures, **it is premature to consider energy education as a standalone measure applicable towards the modified 3MM Rule, at the present time, as it is being proposed here [emphasis added.]**⁷

Opposition, DRA contends that it "would support SCE's Petition if SCE were to modify its Petition to include simple, easy to install savings measures such as lighting, smart strips and hot water heating insulation for installation by the outreach and assessment contractor." In essence, such modified Petition would reopen yet other recently resolved issues, in D.12-08-044. All parties to this proceeding are admonished in that the Commission docket is not to be used as forum for such negotiation. It is improper to argue that the Petition is moot (as having been resolved 27 days prior) and then argue that DRA would lend its "support" if the Petitioner would seek to reopen other similarly resolved issues.

⁶ Opposition at 1, citing SCE's Application and Testimony as well as Comments on the Proposed Decision, D.12-08-044.

⁷ D.12-08-044 at 133.

We approve the IOUs' request for a \$300,000 shared energy education evaluation study. What we learned from the 2009 Process Evaluation was that less than a third of the participants surveyed reported they believed the energy education component left a lasting impact; and the disparity in type and overall quality of messaging/energy education delivered varied significantly across the IOUs' territories. **Similar to the lessons we learned with the trials and tribulations of Whole Neighborhood Approach in this program during the last cycle, the latest Process Evaluation Report gives us much reason to pause to figure out how to effectively refine and deliver the energy education so that the message is received and retained by this population [emphasis added].**⁸

This study will be invaluable in determining whether there are energy and/or bill-savings associated with ESA Program energy education and whether this justifies energy education be considered a cost-effective, standalone measure. Without quantifiable energy and bill savings figures or other program benefits from such efforts, energy education cannot yet be considered a standalone measure, at this time. **Once the energy education evaluation is completed, the IOUs can then petition for energy education to be counted as a measure - but only if the education component demonstrably results in actualized, independent energy and/or bill savings or other program benefits from such efforts.... The IOUs and the Energy Division must take all necessary and reasonable actions to ensure that by August 31, 2013, the Energy Education Study and Report is completed, in order for the results to be incorporated into the CARE & ESA 2015-2017 program cycle applications process [emphasis added].**⁹

⁸ *Id.* at 240.

⁹ *Id.* at 241.

Less than 30 days after issuance of D.12-08-044 setting forth, *inter alia*, the above direction and before the ordered Energy Education study had even launched, let alone completed, SCE filed its Petition. The Petition provides the same arguments that were made during the proceeding without raising any new information or justification for modification of D.12-08-044. We find both the timing and content of SCE's Petition to be an unnecessary burden on the Commission's time and resources. Pursuant to the Commission's Rules of Practice and Procedure 16.4, we reject SCE's Petition, and explicitly instruct SCE not to file similar petitions in the future until "energy education evaluation is completed," as we previously explained in D.12-08-044.¹⁰ We reiterate D.12-08-044 that SCE may "petition for energy education to be counted as a measure - but only if the education component demonstrably results in actualized, independent energy and/or bill savings or other program benefits from such efforts...."¹¹

Assignment of Proceeding

Catherine J.K. Sandoval is the assigned Commissioner and Kimberly H. Kim is the assigned Administrative Law Judge (ALJ) in this proceeding.

Comments on Proposed Decision

The proposed decision of ALJ Kim in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code, and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. SCE filed its opening comment on January 9, 2013. SCE claims that the proposed

¹⁰ *Ibid.*

¹¹ *Ibid.*

decision appears to misconstrue its request in its Petition.¹² SCE contends that it did not request that the Commission allow SCE to provide Energy Education to income-verified ESA Program customers without complying with the modified the 3MM Rule adopted in D.12-08-044. SCE contends instead that its Petition sought approval to provide Energy Education as an “essential and separate service to all income qualified customers.” Cleverly argued and framed as perhaps a new proposed exception to the 3MM Rule, SCE's Petition is ultimately seeking the same relief to get around D.12-08-044 and the 3MM Rule and that is unjustified based on the record of this proceeding.

In D.12-08-044, we specifically determined that the current state of IOUs' Energy Education messaging and delivery was ineffective and did not justify delivering it as a “standalone measure.” At this juncture, there is nothing in the record that shows why a new undefined exception to the 3MM Rule, titled “essential and separate service,” should be created nor is there anything in the record that justifies why such ineffective Energy Education should be considered as a new exception to the 3MM Rule as “an essential and separate service.” SCE's Petition therefore is denied.

No other parties filed comments, and no reply comments have been filed.

Findings of Fact

1. On August 30, 2012, the Commission issued D.12-08-044.
2. In D.12-08-044, we acknowledged that “we learned from the last program cycle about the energy education component of the ESA Program is that it needs

¹² SCE's Opening Comment, filed January 9, 2013 at 2.

to be studied to determine whether we are delivering effective energy education that is received and retained.”

3. In D.12-08-044, we determined:

... without better understanding how to deliver an effective energy education to this population through the energy education study ordered in this decision, inter alia, as well as ascertaining quantifiable and associated energy savings figures, it is premature to consider energy education as a standalone measure applicable towards the modified 3MM Rule, at the present time, as it is being proposed here.

4. In D.12-08-044, we therefore approved the IOUs’ request for a \$300,000 shared energy education evaluation study to help determine:

... whether there are energy and/or bill-savings associated with ESA Program energy education and whether this justifies energy education be considered a cost-effective, standalone measure. Without quantifiable energy and bill savings figures or other program benefits from such efforts, energy education cannot yet be considered a standalone measure, at this time.

5. In D.12-08-044, we provided clear directions to the IOUs that a petition on the energy education issue should be preceded by completion of ordered energy education study as set forth below:

Once the energy education evaluation is completed, the IOUs can then petition for energy education to be counted as a measure - but only if the education component demonstrably results in actualized, independent energy and/or bill savings or other program benefits from such efforts.... The IOUs and the Energy Division must take all necessary and reasonable actions to ensure that by August 31, 2013, the Energy Education Study and Report is completed, in order for the results to be incorporated into the CARE & ESA 2015-2017 program cycle applications process.

6. The Energy Education study ordered in D.12-08-044 has not been completed.

7. SCE's Petition does not provide new information or basis, since the issuance of D.12-08-044, to support the proposed modification of D.12-08-044.

Conclusion of Law

1. SCE's petition for modification of D.12-08-044 should be denied.
2. SCE should not file similar petitions in the future until "energy education evaluation is completed," as we previously explained in D.12-08-044.
3. SCE may "petition for energy education to be counted as a measure - but only if the education component demonstrably results in actualized, independent energy and/or bill savings or other program benefits from such efforts...."

O R D E R

IT IS ORDERED that:

1. The Petition to Modify Decision 12-08-044 filed, dated September 27, 2012, by Southern California Edison Company is denied.
2. Southern California Edison Company shall not file similar petitions in the future until the energy education evaluation is completed in compliance with Decision 12-08-044, and the findings from the energy education evaluation shows that the education component demonstrably results in actualized, independent energy and/or bill savings or other program benefits from such efforts.
3. Application (A.) 11-05-017, A.11-05-018, A.11-05-019 and A.11-05-020 shall remain open.

This order is effective today.

Dated _____, at San Francisco, California.